

# Allied<sup>®</sup> Spring Bank

1442 SPRING-CYPRESS ROAD AT IH-45, P. O. BOX 789  
SPRING, TEXAS 77373, 713/353-5401

RECORDATION NO. 15952

Filed & Recorded

SEP 18 1986 3:00PM

INTERSTATE COMMERCE COMMISSION

September 23, 1986

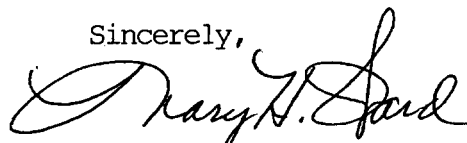
Secretary of Interstate Commerce Commission  
12th. & Constitution Ave. N.W.  
Room 2302, ATTN: Ms. Mildred Lee  
Washington, D.C. 20423

Dear Ms. Lee:

Please acknowledge one original counterpart and a copy of a Security Agreement between George T. Graham and Allied Spring Bank and a check in the amt. of \$10.00 for payment of recordation fee. We ask that you record this document pursuant to Section 11303, of the Code of Federal Regulations. Please take notation that the principal debtor and mortgagor is George T. Graham, the mortgagee is Allied Spring Bank, and the collateral pledged consists of one 34,000 gallon nominal capacity-tank car, non-coiled and insulated, 100-ton roller bearing truck, with Serial No.LAMX 51.

We would appreciate your returning the original counterpart to me in care of Allied Spring Bank, P.O. Box 789, Spring, Texas 77383. If you need any additional information with regard to these documents or this transaction, please contact me. Thank you for your immediate attention to this matter.

Sincerely,



Mary H. Ward,  
Loan Closer

cc: to file

Interstate Commerce Commission  
Washington, D.C. 20423

9/28/86

OFFICE OF THE SECRETARY

Mary H. Ward  
Allied Spring Bank  
P.O. Box 789  
Spring, Texas 77383

Dear Ms. Ward:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/15/86 at 3:00pm, and assigned re-recording number(s). 15053

Sincerely yours,

*Noreta R. McGee*  
Secretary

Enclosure(s)

SE-30  
(7/79)

1. Debtor(s) Name and Mailing Address:  
(Do not abbreviate)

2. Secured Party(ies) Name and Address:

RECORDATION NO. 15053

Filed &amp; Recorded

SEP 15 1986 3-00 PM

INTERSTATE COMMERCE COMMISSION

George T. Graham  
5602 Edgewick Court  
Houston, Texas 77069Allied Spring Bank  
P.O. Box 789  
1442 Spring-Cypress Rd.  
Spring, Texas 77383  
Ph# 1-713-353-5401

4. This Financing Statement covers the following types (or items) of property.

**WARNING:** If collateral is crops, fixtures, timber or minerals, read instructions on back.)5. Name and Address of Assignee of Secured Party:  
(Use this space to describe collateral, if needed)100 Ton Roller Bearing Tank Car  
Serial No. LAMX51

Check only if applicable

☐ This Financing Statement is to be filed for record in the real estate records.

Number of additional sheets presented \_\_\_\_\_

☐ Products of collateral are also covered.

6. This Statement is signed by the Secured Party instead of the Debtor to perfect a security interest in collateral

(Please check appropriate box)

- ☐ already subject to a security interest in another jurisdiction when it was brought into this state or when the debtor's location was changed to this state, or
- ☐ already subject to a financing statement filed in another county
- ☐ which is proceeds of the original collateral described above in which a security interest was perfected, or
- ☐ as to which the filing has lapsed, or
- ☐ acquired after a change of name, identity or corporate structure of the debtor.

George T. Graham

Allied Spring Bank

Use whichever signature line is applicable

By

Signature(s) of Debtor(s)

By

Signature(s) of Secured Party(ies)

(1) Filing Officer Copy—Numerical

**NOTE:** ATTACHING ADDITIONAL PAGES TO A STANDARD FORM WILL RENDER THE FORM INTO A NONSTANDARD.

Bank Name: **Allied spring Bank**  
 Street Address: **P.O. Box 789/1442 Sprigg-Cypress Rd.**  
 City, State, Country, Zip Code: **Spring, Texas 77383 Ph.No.1-313-353-5401**

SEP 15 1986 3:00 PM

# General Purpose Security Agreement

Debtors <b>George T. Graham</b>	
Street Address <b>5602 Edgewick Court</b>	
City, State, Country, Zip Code <b>Houston, Texas 77069</b>	
Telephone Number <b>550-7500/350-4100</b>	Social Security Number <b>430-20-6666</b>

In this document, we, us and our mean the Bank and its successors and assigns. You and your mean the Debtors signing this document and their heirs, personal representatives and assigns.

Date of this agreement: **September 3,** 19 **86**

**Purpose.** By this agreement, you are giving us certain property as "collateral." The collateral secures:

☐ your promissory note dated **September 3,** 19 **86**  
 in the amount \$ **31,799.55** and any renewals, extensions or rearrangements of it;

☐

The collateral also secures all of your other current and future debts and obligations to us of whatever kind, i.e., all of your obligations to us.

**Collateral.** To secure your obligations, you give us certain collateral: You pledge and assign to us (and grant us a security interest in) all of your deposit accounts and certificates of deposit with us, and instruments, items, money and other property of yours that now or later comes into our custody or control, excluding deposits subject to tax penalties if assigned. These rights do not limit our other rights (e.g. common law setoff).

☒ You grant us a security interest in ☐ motor vehicle, ☐ boat ☐ and trailer, ☐ stock, ☐ certificate of deposit, ☒ other, described as **100 Ton Roller Bearing Tank Car Serial No. LAMX51**

☐

☐

☐ You pledge and assign to us, grant us a security interest in and allow us to restrict withdrawals of specific accounts described as:

☐

The property described above is called "collateral." Any additions, replacements, income, proceeds, including insurance proceeds, dividends, subscription rights, accessories, tools, parts or other benefits relating to this property are also part of the collateral, whether you now own these or acquire them in the future. However, consumer goods you acquire more than 10 days after we give value will not be included in the collateral, unless they are accessions to the collateral.

The collateral will be used by you primarily for: ☐ personal, family or household purposes, ☐ agricultural purposes, ☒ business purposes; and will be kept at the address you gave above, unless otherwise noted:

**Calling debts due.** We may call the full amount of your obligations (less any unearned charges) due at once without advance notice and go against the collateral: (a) if you don't pay on time; (b) if you don't perform your other agreements with us; (c) if information you give us is untrue or incomplete; (d) if you die; (e) if other creditors take action against you, e.g., calling debts due, filing lawsuits, garnishments, levies, insolvency proceedings, or if you seek debt relief proceedings yourself; or (f) if anything happens which we in good faith feel endangers your ability to repay us or affects the collateral.

**Collection expenses.** You will owe attorneys' fees (of at least 15% of the amount you owe, or \$1,000 whichever is greater) and court costs if we retain an attorney to collect amounts owed. Of course, you won't be required to pay more than awarded by a court.

**Protecting the collateral.** You have told us that you own the collateral and that no one else has a claim against it. Our rights to the collateral must stay superior to the rights of any others. You agree to keep the collateral in good condition and repair. You agree not to sell, lease, lend or give it to anyone else without our written permission. Except for normal use, you agree to keep the collateral at the address you gave us.

**Owner's Consent.** If you are not the owner of the collateral, then the owner or co-owner needs to sign below.

By signing below, the owner or co-owner, as applicable, to induce us to give you credit, irrevocably agrees with us as follows: You have full authority to give us the collateral to secure your obligations (including all past, present and future debts and obligations) until we release it; we can deal with the collateral as if you owned it by yourself; we can choose which collateral we go against or retain; we are not responsible to the owner if we release or modify the liability of a party, release other collateral, fail to create, perfect, or preserve our interest in any collateral, or similar matter; and we can deal with you regarding the collateral and your obligations without having to notify the owner (unless the law requires otherwise) or having to ask for further consent.

Owner

Owner

**INTERSTATE COMMERCE COMMISSION**  
 Claims against the collateral. You agree to pay all taxes and charges relating to the collateral and to take any necessary action to protect it from the claims of others. There should be no claims or other liens against the collateral.

**Property Insurance.** You agree to keep the collateral fully insured in a manner satisfactory to us. The insurance policies must say that they cannot be cancelled unless we are given at least 10 days' notice in writing. Insurance proceeds received by us may be applied to your obligations or to repair or replace the collateral at our option. You authorize us to act as your attorney-in-fact in adjusting, settling or cancelling the insurance.

**Updated information.** You agree to notify us promptly of an address change, damage or loss to the collateral, or any material change in your financial condition. You agree to give us updated financial statements and other information we request. You also agree to let us inspect the collateral when we want.

**Taking corrective action.** Though we are not obligated to do so, we can take any action we feel appropriate to protect our rights to the collateral. To give a few examples: we may obtain property insurance if you fail to do so (at your cost), including insurance that only protects our interest; we may sign your name to any documents that are necessary to transfer or protect the collateral; we may pay claims against the collateral; we may file additional financing statements. You agree to reimburse us promptly for amounts we spend to protect our rights to the collateral.

**Additional collateral.** You agree to give us more collateral satisfactory to us if we feel that the collateral is not enough (e.g., because it declines in value) or because of other reasons making us feel insecure.

**Stock as collateral.** As to stock, we may (either before or after default) transfer the stock to our name or someone we appoint, receive all benefits to be applied toward your obligations, and may exercise voting rights. You irrevocably appoint our president or any vice president as proxy to act in your place to vote as such proxy decides.

**Collecting collateral.** Before or after default, we may collect some types of collateral, such as debts or accounts, by notifying those persons who owe the debt or account to make payment directly to us, and we can settle with and release those owing such debts or accounts. We may collect deposits, certificates of deposit and like property even though withdrawal penalties apply.

**What happens upon default?** Upon default we can call your obligations due, go against the collateral and/or take action against you and others responsible (e.g., sureties, endorsers, guarantors). We may ask you to assemble and deliver the collateral at any reasonable place we want. We may peacefully enter places where the collateral is kept and repossess it. We may sell, lease or otherwise dispose of the collateral. We may ready it for sale or use and hold public or private sales. If the law requires us to give you notice of sale, you agree 5 days' notice is enough.

**Expenses.** Besides attorneys' fees and court costs, you will owe our expenses in recovering, storing, fixing-up, and disposing of the collateral. You agree to pay interest at the rate of 18% per year on amounts we spend to protect our rights to the collateral, or such higher rate that may be authorized in the documents evidencing your obligations, subject to legal limits.

**Amounts collected.** The amounts we recover will be applied against our expenses and your obligations. Amounts left over after lawful application of amounts we recover will be refunded to you, but if what we recover is not enough, you still owe what is left.

**Notices and waivers.** You and others responsible (e.g., sureties, endorsers, guarantors) waive demand, notice of nonpayment, notice of intention to accelerate, notice of acceleration, presentment, notice of dishonor and all other kinds of notice. You and others responsible also agree: we are not required to file suit, show diligence in collection, or go against any collateral; we may release or modify any person's liability without changing the liability of the others; we may substitute, exchange or release collateral; we may sue one or more persons without joining or suing others; we may renew or extend debts and obligations as often and for so long as we desire without notice or their approval. Also, you and others responsible agree that we will not be responsible for creating, perfecting or preserving our rights to the collateral.

**Retaining our rights.** We can waive or delay enforcing our rights without losing them. All of our rights are cumulative and the exercise of one is not a waiver of another. You agree to deliver other documents we request.

**Savings clause.** No part of this agreement is supposed to permit us to impose interest or other amounts in excess of lawful amounts. If an excess occurs, we will apply it as a credit or otherwise refund it and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent permitted by law, we may calculate charges by amortizing, prorating, allocating and spreading.

**What law applies?** This agreement will be governed by Texas law and applicable Federal law.

Executed **September 3,** 19 **86**

**George T. Graham**  
 George T. Graham

Subscribed and sworn to before me this **2nd** of September, 1986

RECORDATION NO. 15053 Filed &amp; Recorded

1. Debtor(s) Name and Mailing Address:  
(Do not abbreviate)George T. Graham  
5602 Edgewick Court  
Houston, Texas 77069

2. Secured Party(ies) Name and Address:

Allied Spring Bank  
P.O. Box 789  
1442 Spring-Cypress Rd.  
Spring, Texas 77383  
Ph# 1-713-353-5401

SEP 15 1986 3-00 PM

INTERSTATE COMMERCE COMMISSION

4. This Financing Statement covers the following types (or items) of property.

**WARNING:** If collateral is crops, fixtures, timber or minerals, read instructions on back.)100 Ton Roller Bearing Tank Car  
Serial No. LAMX515. Name and Address of Assignee of Secured Party:  
(Use this space to describe collateral, if needed)

Check only if applicable

☐ This Financing Statement is to be filed for record in the real estate records.

Number of additional sheets presented \_\_\_\_\_

☐ Products of collateral are also covered.

6. This Statement is signed by the Secured Party instead of the Debtor to perfect a security interest in collateral

(Please check appropriate box)

- ☐
- already subject to a security interest in another jurisdiction when it was brought into this state or when the debtor's location was changed to this state, or
- 
- ☐
- already subject to a financing statement filed in another county
- 
- ☐
- which is proceeds of the original collateral described above in which a security interest was perfected, or
- 
- ☐
- as to which the filing has lapsed, or
- 
- ☐
- acquired after a change of name, identity or corporate structure of the debtor.

George T. Graham

By



Signature(s) of Debtor(s)

Use whichever signature line is applicable

Allied Spring Bank

By

Signature(s) of Secured Party(ies)

(1) Filing Officer Copy—Numerical

NOTE: ATTACHING ADDITIONAL PAGES TO A STANDARD FORM  
WILL RENDER THE FORM INTO A NONSTANDARD.

STANDARD FORM—FORM UCC-1 (REV. 9-1-83) APPROVED BY THE SECRETARY OF STATE OF TEXAS—FORM E-1353—CLARKE &amp; COURTS, INC.

Bank Name: **Allied spring Bank**  
 Street Address: **P.O. Box 789/1442 Spring-Cypress Rd.**  
 City, State, County, Zip, Code: **Spring, Texas 77383 Ph.No.1-313-353-5401**

SEP 15 1986 3:00 PM

# General Purpose Security Agreement

Debtors: **George T. Graham**  
 Street Address: **5602 Edgewick Court**  
 City, State, County, Zip, Code: **Houston, Texas 77069**  
 Telephone Number: **350-7500/350-4100** Social Security Number: **430-20-6666**

In this document, we, us and our mean the Bank and its successors and assigns. You and your mean the Debtors signing this document and their heirs, personal representatives and assigns.

Date of this agreement: **September 3, 1986**

Purpose. By this agreement, you are giving us certain property as "collateral." The collateral secures:

☐ your promissory note dated **September 3, 1986** in the amount \$ **31,799.55** and any renewals, extensions or rearrangements of it.

The collateral also secures all of your other current and future debts and obligations to us of whatever kind, and all of your obligations to us:

Collateral. To secure your obligations, you give us certain collateral. You pledge and assign to us (and grant us a security interest in) all of your deposit accounts and certificates of deposit with us, and instruments, items, money and other property of yours that now or later comes into our custody or control, excluding deposits subject to tax penalties if assigned. These rights do not limit our other rights (e.g., common law setoff).

☒ You grant us a security interest in ☐ motor vehicle, ☐ boat ☐ and trailer ☐ stock, ☐ certificate of deposit, ☒ other, described as **100 Ton Roller Bearing Tank Car Serial No. LAMX51**

☐ You pledge and assign to us, grant us a security interest in and allow us to restrict withdrawals of specific accounts described as:

The property described above is called "collateral." Any additions, replacements, income, proceeds, including insurance proceeds, dividends, subscription rights, accessories, tools, parts or other benefits relating to this property are also part of the collateral, whether you now own these or acquire them in the future. However, consumer goods you acquire more than 10 days after we give value will not be included in the collateral, unless they are accessions to the collateral.

The collateral will be used by you primarily for: ☐ personal, family or household purposes, ☐ agricultural purposes, ☒ business purposes; and will be kept at the address you gave above, unless otherwise noted:

Calling debts due. We may call the full amount of your obligations (less any unearned charges) due at once without advance notice and go against the collateral: (a) if you don't pay on time; (b) if you don't perform your other agreements with us; (c) if information you give us is untrue or incomplete; (d) if you die; (e) if other creditors take action against you, e.g., calling debts due, filing lawsuits, garnishments, levies, insolvency proceedings, or if you seek debt relief proceedings yourself; or (f) if anything happens which we in good faith feel endangers your ability to repay us or affects the collateral.

Collection expenses. You will owe attorneys' fees (of at least 15% of the amount you owe, or \$1,000 whichever is greater) and court costs if we retain an attorney to collect amounts owed. Of course, you won't be required to pay more than awarded by a court.

Protecting the collateral. You have told us that you own the collateral and that no one else has a claim against it. Our rights to the collateral must stay superior to the rights of any others. You agree to keep the collateral in good condition and repair. You agree not to sell, lease, lend or give it to anyone else without our written permission. Except for normal use, you agree to keep the collateral at the address you gave us.

Owner's Consent. If you are not the owner of the collateral, then the owner or co-owner needs to sign below.

By signing below, the owner or co-owner, as applicable, to induce us to give you credit, irrevocably agrees with us as follows: You have full authority to give us the collateral to secure your obligations (including all past, present and future debts and obligations) until we release it; we can deal with the collateral as if you owned it by yourself; we can choose which collateral we go against or retain; we are not responsible to the owner if we release or modify the liability of a party; release other collateral, fail to create, perfect, or preserve our interest in any collateral, or similar matter; and we can deal with you regarding the collateral and your obligations without having to notify the owner (unless the law requires otherwise) or having to ask for further consent.

Owner

Owner

INTERSTATE COMMERCE COMMISSION  
 Claims against the collateral. You agree to pay all taxes and charges relating to the collateral and to take any necessary action to protect it from the claims of others. There should be no claims or other liens against the collateral.

Property insurance. You agree to keep the collateral fully insured in a manner satisfactory to us. The insurance policies must say that they cannot be cancelled unless we are given at least 10 days' notice in writing. Insurance proceeds received by us may be applied to your obligations or to repair or replace the collateral at our option. You authorize us to act as your attorney-in-fact in adjusting, settling or cancelling the insurance.

Updated information. You agree to notify us promptly of an address change, damage or loss to the collateral, or any material change in your financial condition. You agree to give us updated financial statements and other information we request. You also agree to let us inspect the collateral when we want.

Taking corrective action. Though we are not obligated to do so, we can take any action we feel appropriate to protect our rights to the collateral. To give a few examples: we may obtain property insurance if you fail to do so (at your cost), including insurance that only protects our interest; we may sign your name to any documents that are necessary to transfer or protect the collateral; we may pay claims against the collateral; we may file additional financing statements. You agree to reimburse us promptly for amounts we spend to protect our rights to the collateral.

Additional collateral. You agree to give us more collateral satisfactory to us if we feel that the collateral is not enough (e.g., because it declines in value) or because of other reasons making us feel insecure.

Stock as collateral. As to stock, we may (either before or after default) transfer the stock to our name or someone we appoint, receive all benefits to be applied toward your obligations, and may exercise voting rights. You irrevocably appoint our president or any vice president as proxy to act in your place to vote as such proxy decides.

Collecting collateral. Before or after default, we may collect some types of collateral, such as debts or accounts, by notifying those persons who owe the debt or account to make payment directly to us, and we can settle with and release those owing such debts or accounts. We may collect deposits, certificates of deposit and like property even though withdrawal penalties apply.

What happens upon default? Upon default we can call your obligations due, go against the collateral and/or take action against you and others responsible (e.g., sureties, endorsers, guarantors). We may ask you to assemble and deliver the collateral at any reasonable place we want. We may peacefully enter places where the collateral is kept and repossess it. We may sell, lease or otherwise dispose of the collateral. We may ready it for sale or use and hold public or private sales. If the law requires us to give you notice of sale, you agree 5 days' notice is enough.

Expenses. Besides attorneys' fees and court costs, you will owe our expenses in recovering, storing, fixing-up, and disposing of the collateral. You agree to pay interest at the rate of 18% per year on amounts we spend to protect our rights to the collateral, or such higher rate that may be authorized in the documents evidencing your obligations, subject to legal limits.

Amounts collected. The amounts we recover will be applied against our expenses and your obligations. Amounts left over after lawful application of amounts we recover will be refunded to you, but if what we recover is not enough, you still owe what is left.

Notices and waivers. You and others responsible (e.g., sureties, endorsers, guarantors) waive demand, notice of nonpayment, notice of intention to accelerate, notice of acceleration, presentment, notice of dishonor and all other kinds of notice. You and others responsible also agree: we are not required to file suit, show diligence in collection, or go against any collateral; we may release or modify any person's liability without changing the liability of the others; we may substitute, exchange or release collateral; we may sue one or more persons without joining or suing others; we may renew or extend debts and obligations as often and for so long as we desire without notice or their approval. Also, you and others responsible agree that we will not be responsible for creating, perfecting or preserving our rights to the collateral.

Retaining our rights. We can waive or delay enforcing our rights without losing them. All of our rights are cumulative and the exercise of one is not a waiver of another. You agree to deliver other documents we request.

Savings clause. No part of this agreement is supposed to permit us to impose interest or other amounts in excess of lawful amounts. If an excess occurs, we will apply it as a credit or otherwise refund it and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent permitted by law, we may calculate charges by amortizing, prorating, allocating and spreading.

What law applies? This agreement will be governed by Texas law and applicable Federal law.

Executed **September 3, 1986**

*George T. Graham*  
 George T. Graham

Subscribed and sworn to before me this 3rd. day of September, 1986.

NOTARY PUBLIC IN AND FOR HARRIS COUNTY, TEXAS

Bank Name: **Allied spring Bank**  
Street Address: **P.O. Box 789/1442 Spring-Cypress Rd.**  
City, State, Zip Code: **Spring, Texas 77383** Ph.No.1-313-353-5401

RECORDATION NO. 1-313-353-5401  
**SEP 15 1986 3:00 PM**  
**General Purpose Security Agreement**

Debtors: <b>George T. Graham</b>	
Street Address: <b>5602 Edgewick Court</b>	
City, State, Zip Code: <b>Houston, Texas 77069</b>	
Telephone Number: <b>350-7500/350-4100</b>	Social Security Number: <b>430-20-6666</b>

**INTERSTATE COMMERCE COMMISSION**  
claims against the collateral. You agree to pay all taxes and charges relating to the collateral and to take any necessary action to protect it from the claims of others. There should be no claims or other liens against the collateral.

In this document, we, us and our mean the Bank and its successors and assigns. You and your mean the Debtors signing this document and their heirs, personal representatives and assigns.

Date of this agreement: September 3, 1986

Purpose. By this agreement, you are giving us certain property as "collateral." The collateral secures:

- ☐ your promissory note dated September 3, 1986 in the amount \$ 31,799.55 and any renewals, extensions or rearrangements of it;
- ☐ \_\_\_\_\_

**Property Insurance.** You agree to keep the collateral fully insured in a manner satisfactory to us. The insurance policies must say that they cannot be cancelled unless we are given at least 10 days' notice in writing. Insurance proceeds received by us may be applied to your obligations or to repair or replace the collateral at our option. You authorize us to act as your attorney-in-fact in adjusting, settling or cancelling the insurance.

**Updated information.** You agree to notify us promptly of an address change, damage or loss to the collateral, or any material change in your financial condition. You agree to give us updated financial statements and other information we request. You also agree to let us inspect the collateral when we want.

**Taking corrective action.** Though we are not obligated to do so, we can take any action we feel appropriate to protect our rights to the collateral. To give a few examples: we may obtain property insurance if you fail to do so (at your cost), including insurance that only protects our interest; we may sign your name to any documents that are necessary to transfer or protect the collateral; we may pay claims against the collateral; we may file additional financing statements. You agree to reimburse us promptly for amounts we spend to protect our rights to the collateral.

**Additional collateral.** You agree to give us more collateral satisfactory to us if we feel that the collateral is not enough (e.g., because it declines in value) or because of other reasons making us feel insecure.

**Stock as collateral.** As to stock, we may (either before or after default) transfer the stock to our name or someone we appoint, receive all benefits to be applied toward your obligations, and may exercise voting rights. You irrevocably appoint our president or any vice president as proxy to act in your place to vote as such proxy decides.

**Collecting collateral.** Before or after default, we may collect some types of collateral, such as debts or accounts, by notifying those persons who owe the debt or account to make payment directly to us, and we can settle with and release those owing such debts or accounts. We may collect deposits, certificates of deposit and like property even though withdrawal penalties apply.

**What happens upon default?** Upon default we can call your obligations due, go against the collateral and/or take action against you and others responsible (e.g., sureties, endorsers, guarantors). We may ask you to assemble and deliver the collateral at any reasonable place we want. We may peacefully enter places where the collateral is kept and repossess it. We may sell, lease or otherwise dispose of the collateral. We may ready it for sale or use and hold public or private sales. If the law requires us to give you notice of sale, you agree 5 days' notice is enough.

**Expenses.** Besides attorneys' fees and court costs, you will owe our expenses in recovering, storing, fixing-up, and disposing of the collateral. You agree to pay interest at the rate of 18% per year on amounts we spend to protect our rights to the collateral, or such higher rate that may be authorized in the documents evidencing your obligations, subject to legal limits.

**Amounts collected.** The amounts we recover will be applied against our expenses and your obligations. Amounts left over after lawful application of amounts we recover will be refunded to you, but if what we recover is not enough, you still owe what is left.

**Notices and waivers.** You and others responsible (e.g., sureties, endorsers, guarantors) waive demand, notice of nonpayment, notice of intention to accelerate, notice of acceleration, presentment, notice of dishonor and all other kinds of notice. You and others responsible also agree: we are not required to file suit, show diligence in collection, or go against any collateral; we may release or modify any person's liability without changing the liability of the others; we may substitute, exchange or release collateral; we may sue one or more persons without joining or suing others; we may renew or extend debts and obligations as often and for so long as we desire without notice or their approval. Also, you and others responsible agree that we will not be responsible for creating, perfecting or preserving our rights to the collateral.

**Retaining our rights.** We can waive or delay enforcing our rights without losing them. All of our rights are cumulative and the exercise of one is not a waiver of another. You agree to deliver other documents we request.

**Savings clause.** No part of this agreement is supposed to permit us to impose interest or other amounts in excess of lawful amounts. If an excess occurs, we will apply it as a credit or otherwise refund it and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent permitted by law, we may calculate charges by amortizing, prorating, allocating and spreading.

**What law applies?** This agreement will be governed by Texas law and applicable Federal law.

The collateral also secures all of your other current and future debts and obligations to us of whatever kind, i.e., all of your obligations to us.

**Collateral.** To secure your obligations, you give us certain collateral: You pledge and assign to us (and grant us a security interest in) all of your deposit accounts and certificates of deposit with us, and instruments, items, money and other property of yours that now or later comes into our custody or control, excluding deposits subject to tax penalties if assigned. These rights do not limit our other rights (e.g., common law setoff).

- ☒ You grant us a security interest in ☐ motor vehicle, ☐ boat ☐ land trailer, ☐ stock, ☐ certificate of deposit, ☒ other, described as: 100 Ton Roller Bearing Tank Car Serial No. 1AMX51

☐ \_\_\_\_\_

- ☐ You pledge and assign to us, grant us a security interest in and allow us to restrict withdrawals of specific accounts described as:

\_\_\_\_\_

The property described above is called "collateral." Any additions, replacements, income, proceeds, including insurance proceeds, dividends, subscription rights, accessories, tools, parts or other benefits relating to this property are also part of the collateral, whether you now own these or acquire them in the future. However, consumer goods you acquire more than 10 days after we give value will not be included in the collateral, unless they are accessions to the collateral.

The collateral will be used by you primarily for: ☐ personal, family or household purposes, ☐ agricultural purposes, ☒ business purposes; and will be kept at the address you gave above, unless otherwise noted:

**Calling debts due.** We may call the full amount of your obligations (less any unearned charges) due at once without advance notice and go against the collateral: (a) if you don't pay on time; (b) if you don't perform your other agreements with us; (c) if information you give us is untrue or incomplete; (d) if you die; (e) if other creditors take action against you, e.g., calling debts due, filing lawsuits, garnishments, levies, insolvency proceedings, or if you seek debt relief proceedings yourself; or (f) if anything happens which we in good faith feel endangers your ability to repay us or affects the collateral.

**Collection expenses.** You will owe attorneys' fees (of at least 15% of the amount you owe, or \$1,000 whichever is greater) and court costs if we retain an attorney to collect amounts owed. Of course, you won't be required to pay more than awarded by a court.

**Protecting the collateral.** You have told us that you own the collateral and that no one else has a claim against it. Our rights to the collateral must stay superior to the rights of any others. You agree to keep the collateral in good condition and repair. You agree not to sell, lease, lend or give it to anyone else without our written permission. Except for normal use, you agree to keep the collateral at the address you gave us.

**Owner's Consent.** If you are not the owner of the collateral, then the owner or co-owner needs to sign below.

By signing below, the owner or co-owner, as applicable, to induce us to give you credit, irrevocably agrees with us as follows: You have full authority to give us the collateral to secure your obligations (including all past, present and future debts and obligations) until we release it; we can deal with the collateral as if you owned it by yourself; we can choose which collateral we go against or retain; we are not responsible to the owner if we release or modify the liability of a party; release other collateral; fail to create, perfect, or preserve our interest in any collateral or similar matter; and we can deal with you regarding the collateral and your obligations without having to notify the owner (unless the law requires otherwise) or having to ask for further consent.

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Owner

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Owner

Executed September 3, 1986

George T. Graham  
George T. Graham

Subscribed and sworn to before me this 3rd. day of September, 1986. Charles E. Cox  
NOTARY PUBLIC IN AND FOR HARRIS COUNTY, TEXAS